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**FILED**  
**KEN BENNETT**  
**SECRETARY OF STATE**

CHAPTER 113

## **SENATE BILL 1073**

AN ACT

AMENDING SECTIONS 11-256.03, 11-264, 11-825, 11-1042, 28-6538, 41-1966.01, 41-2404, 41-3451, 41-4256 AND 49-1202, ARIZONA REVISED STATUTES; RELATING TO COUNTY POPULATION THRESHOLDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 11-256.03, Arizona Revised Statutes, is amended to read:

11-256.03. Conveyance of property for health care institution to nonprofit corporation; powers and duties of county and nonprofit corporation; reports; definitions

A. The board of supervisors of any county ~~having~~ THAT HAS a population greater than ~~two hundred fifty thousand but less than~~ one million BUT LESS THAN TWO MILLION persons ~~as determined by the latest United States decennial census and which~~ THAT owns and operates a health care institution may enter into an agreement to convey the real property and any improvements thereon and all other property, both tangible and intangible, of such institution to a nonprofit corporation established for the purposes of operating a health care institution ~~which~~ THAT includes inpatient services. Any property and improvements conveyed pursuant to this section shall include the service capability as indicated in the license of the health care institution and all outpatient clinics administered by the health care institution at the time of the conveyance and shall be conveyed for at least their fair market value as determined at the time of the conveyance.

B. To satisfy the requirements of section 501 of the internal revenue code any nonprofit corporation to which property is conveyed pursuant to subsection A of this section is declared to be:

1. A validly organized and existing body politic and corporate exercising its powers for the benefit of the people, to improve their health and welfare and to increase their prosperity.

2. Engaged in a purpose essential to public health care.

3. Performing an essential governmental function.

C. Any nonprofit corporation to which property is conveyed pursuant to subsection A of this section is exempt from property taxation by this state or any agency or subdivision of this state and possesses and may exercise only those governmental powers of the board of supervisors ~~which~~ THAT are delegated to the nonprofit corporation by the board of supervisors and ~~which~~ THAT are necessary to satisfy the requirements of section 501 of the internal revenue code, as specified in the terms, conditions, restrictions and agreements to the conveyance agreement. These powers are in addition to those powers granted to a nonprofit corporation by title 10, chapters 24 through 40.

D. Any nonprofit corporation to which property is conveyed pursuant to subsection A of this section may issue bonds and incur obligations and pledge its revenues as security for the payment thereof for health care institutional purposes to the extent provided by the provisions of the conveyance agreement. Nothing in this section shall be construed to authorize the incurrence of a debt by the county within the meaning of any constitutional restriction on debt.

1           E. Except as provided in subsections F and G of this section, a  
2 nonprofit corporation to which property is conveyed pursuant to subsection A  
3 of this section may acquire by purchase, lease or otherwise, and may operate,  
4 other health care institutions and real and personal property for purposes of  
5 providing products and services related to the operation of health care  
6 institutions owned, leased or operated by it. Such acquisition or operation  
7 does not affect the powers, rights, privileges or immunities conferred on  
8 such nonprofit corporation by this section.

9           F. Any nonprofit corporation to which property is conveyed pursuant to  
10 subsection A of this section shall not own, lease or operate a health care  
11 institution outside the conveying county.

12           G. Until September 1, 1986 neither a board of supervisors nor a  
13 nonprofit corporation to which property is conveyed pursuant to subsection A  
14 of this section shall enter into any agreement with a nonprofit corporation  
15 ~~which~~ THAT is a lessee as described in section 15-1637, subsection A, if the  
16 agreement provides for the conveyance of any ownership interest whatever in  
17 the nonprofit corporation to which property is conveyed pursuant to  
18 subsection A of this section or in the property described in subsection A of  
19 this section. After August 31, 1986, any such agreement must be approved by  
20 the Arizona board of regents and the state legislature. This subsection does  
21 not prevent the grant of an option to purchase such property, provided that  
22 the option may not be exercised before September 1, 1986 and the exercise of  
23 the option must be approved by the Arizona board of regents and the state  
24 legislature. Under no circumstances shall any state general fund monies be  
25 used to acquire any interest in such property.

26           H. Any nonprofit corporation to which property is conveyed pursuant to  
27 subsection A of this section shall make semiannual progress reports as to its  
28 financial status and deliver them on January 1 and July 1 of each year to the  
29 president of the senate, the speaker of the house of representatives and the  
30 governor. The nonprofit corporation shall present an independently audited  
31 financial statement to the auditor general within ninety days of the close of  
32 the previous fiscal year. The auditor general shall review such statements  
33 and transmit them together with a report to officers entitled to receive  
34 progress reports by this section.

35           I. For the purposes of this section:

36           1. "Health care institution" has the same meaning prescribed in  
37 section 36-401.

38           2. "Internal revenue code" has the same meaning prescribed in section  
39 43-105.

40           3. "Nonprofit corporation" means a corporation as defined in section  
41 10-3140.

1       Sec. 2. Section 11-264, Arizona Revised Statutes, is amended to read:  
2       11-264. Authority to operate a sewage system; liens; sewage  
3       system user fees

4       A. Any county with a population between ~~five hundred thousand and one~~  
5 million AND TWO MILLION persons ~~according to the most recent United States~~  
6 ~~decennial census~~ may purchase, construct or operate a sewage system,  
7 including the collection, transportation, pumping, treatment and disposal of  
8 sewage, and charge fees and levy taxes therefor, provided the county secures  
9 the assent by resolution of the governing bodies of those incorporated cities  
10 and towns representing not less than one-half of the population of the county  
11 ~~prior to~~ BEFORE purchase, construction or operation of a sewage system,  
12 provided that once an initial assent is given no further assent is necessary  
13 to operate or improve the system.

14       B. The provisions of this section are declaratory of existing law and  
15 shall not affect the validity of the authorization or issuance of any bonds  
16 by a county for sewage purposes.

17       C. A county may file a lien on property for the nonpayment of sewage  
18 system user fees for services provided to the property if the payment of the  
19 fees is delinquent for more than ninety days.

20       D. Before filing the lien, the county shall provide written notice to  
21 the owner of the property. The notice shall be given at least thirty days  
22 before filing the lien and shall include an opportunity for a hearing with a  
23 designated county official. The notice shall be either personally served or  
24 mailed to the property owner, at the last known address by certified mail, or  
25 to the address to which the tax bill for the property was last mailed. If  
26 the owner does not reside on the property, the notice shall be sent to the  
27 last known address.

28       E. The unpaid sewage system user fees, from the date of recording in  
29 the office of the county recorder in the county in which the property is  
30 located, are a lien on the property until the fees are paid. The lien is  
31 subject and inferior to the lien for general taxes and to all prior recorded  
32 mortgages and encumbrances of record. A sale of the property to satisfy a  
33 lien obtained under this section shall be made on judgment of foreclosure and  
34 order of sale. A county may bring an action to enforce the lien in the  
35 superior court in the county in which the property is located at any time  
36 after the recording, but failure to enforce the lien by this action does not  
37 affect its validity. The recorded unpaid sewage system user fees are prima  
38 facie evidence of the truth of all matters recited in the recording and of  
39 the regularity of all proceedings before the recording.

40       F. Unpaid sewage system user fees pursuant to this section accrue  
41 interest at the rate prescribed by section 44-1201.

42       G. A prior assessment of unpaid sewage system user fees for the  
43 purposes provided in this section does not bar a subsequent assessment for  
44 these purposes and any number of liens on the same lot or tract of land may  
45 be enforced in the same action.

Sec. 3. Section 11-825, Arizona Revised Statutes, is amended to read:

11-825. Specific zoning plans: adoption: administration: contents

A. The board OF SUPERVISORS or ZONING commission of a county with a population of less than one TWO million persons may prepare specific zoning plans for designated parcels of land, which shall include a text and maps of a land use plan and specific zoning, sign, street and other regulations for implementation of the county master plans. All property owners within the boundaries of the specific zoning plan shall give written consent before the plan may be established. A specific zoning plan shall not be adopted if it creates an area that is not within the plan but is completely surrounded by the plan boundaries.

B. A specific zoning plan may be adopted or amended after notice and hearings before the commission and board as provided in section 11-829. If the board adopts a specific zoning plan, it shall establish administrative rules and procedures for the application and enforcement of the plan and may assign or delegate administrative functions, powers and duties for the plan to county officers and officials.

C. A specific zoning plan shall include text, maps and illustrations specifying all of the following:

1. The distribution, location and extent of land uses, including open space.

2. The distribution, location, extent and intensity of major components of public and private transportation, sewage and solid waste disposal, drainage and other facilities necessary to provide for the land uses described in the specific plan.

3. Standards by which development shall proceed and, if applicable, requirements for conservation, development and utilization of natural resources.

4. A statement of whether the specific zoning plan is consistent with the comprehensive plan required by section 11-806.

5. Any other matters necessary or desirable for implementation of the specific zoning plan.

Sec. 4. Section 11-1042, Arizona Revised Statutes, is amended to read:

11-1042. Local programs: state funding appropriation and allocation

A. The board of supervisors or the governing body of a city or town may appropriate monies and take all actions necessary to establish, operate, maintain, coordinate and fund summer youth employment and training programs for at-risk youth.

1           B. From the state appropriation made for purposes of this article,  
2 the department of economic security, on or before July 5 of each year, shall  
3 distribute the monies for the purpose of funding summer youth employment and  
4 training programs for at-risk youth as follows:

5           1. Seventeen and one-half per cent of the monies shall be distributed  
6 to counties with a population of ~~one~~ TWO million persons or more.

7           2. Twenty-three and one-half per cent of the monies shall be  
8 distributed to any city within a county with a population of one million  
9 persons or more if the city has a population of nine hundred thousand persons  
10 or more.

11           3. Eleven and one-half per cent of the monies shall be distributed to  
12 any city within a county with a population of one million persons or more if  
13 the city has a population of two hundred fifty thousand persons or more but  
14 less than nine hundred thousand persons.

15           4. Twenty-seven and one-half per cent of the monies shall be  
16 distributed to counties with a population of ~~five hundred thousand or more~~  
17 ~~but less than one million~~ OR MORE BUT LESS THAN TWO MILLION persons.

18           5. Twenty per cent of the monies shall be distributed to counties with  
19 a population of less than ~~five hundred thousand~~ ONE MILLION persons. Monies  
20 under this paragraph shall be distributed among the counties based on the  
21 proportion that the population of each county bears to the total population  
22 of all counties under this paragraph.

23           ~~C. For purposes of subsection B of this section, population shall be~~  
24 ~~determined according to the most recent United States decennial census.~~

25           Sec. 5. Section 28-6538, Arizona Revised Statutes, is amended to read:

26           28-6538. Arizona highway user revenue fund distribution;  
27                       remaining monies; highway fund distribution;  
28                       contract authorization; regional transportation plan  
29                       requirements

30           A. Each fiscal year the department shall allocate and the state  
31 treasurer shall distribute revenues of the Arizona highway user revenue fund  
32 remaining after the distribution provided in sections 28-6534 and 28-6537 as  
33 follows:

34           1. To the state highway fund, fifty and one-half per cent.

35           2. To the counties, nineteen per cent.

36           3. To the incorporated cities and towns, twenty-seven and one-half per  
37 cent.

38           4. To incorporated cities with a population of three hundred thousand  
39 or more persons, three per cent.

40           B. At least twelve and six-tenths per cent of the revenues allocated  
41 each year to the state highway fund pursuant to subsection A of this section  
42 shall be further distributed in the following proportions and for the  
43 following purposes:

44           1. Seventy-five per cent of the revenues shall be spent, pledged or  
45 accumulated in counties with a population of one million ~~two~~ FIVE hundred

1 thousand or more persons for the design, right-of-way purchase or  
2 construction of controlled access highways that are included in the regional  
3 transportation plan of the county and that are accepted into the state  
4 highway system either as a state route or as a state highway.

5 2. Twenty-five per cent of the revenues shall be spent, pledged or  
6 accumulated in counties with a population of more than ~~four~~ EIGHT hundred  
7 thousand but less than one million ~~two~~ FIVE hundred thousand persons for:

8 (a) The design, right-of-way purchase or construction of controlled  
9 access highways that are included in the regional transportation plan of the  
10 county and that are accepted into the state highway system either as a state  
11 route or as a state highway or related grade separations of controlled access  
12 highways that are included in the regional transportation plan of the county.

13 (b) Notwithstanding sections 28-6993 and 28-6995, the design,  
14 right-of-way purchase, construction, standard and reduced clearance grade  
15 separation, extension and widening of arterial streets and highways that are  
16 included in the regional transportation plan of the county.

17 C. Of the monies allocated to the state highway fund pursuant to  
18 subsection A of this section, not more than five million dollars annually  
19 shall be spent for the acquisition, construction or improvement of entry  
20 roads to state parks or roads in state parks.

21 D. Expenditures for state matching monies for the federal interstate  
22 system shall be in addition to the amount provided in subsection B of this  
23 section.

24 E. The department may contract with a county, city or town to allow  
25 the county, city or town to construct the streets or highways prescribed in  
26 subsection B of this section.

27 F. A county described in subsection B of this section and the cities  
28 and towns in the county, through their regional planning agency, shall list  
29 transportation corridors by priority in the regional transportation plan. The  
30 regional transportation plan may also provide a suggested construction  
31 schedule for the transportation corridors contained in the plan.

32 Sec. 6. Section 41-1966.01, Arizona Revised Statutes, is amended to  
33 read:

34 41-1966.01. Summer youth program; allocation

35 ~~A-~~ The summer youth program is established to be funded by monies  
36 appropriated from the state general fund. Monies for the program:

37 1. Shall be used for purposes of summer youth programs including  
38 employment, education and gang prevention programs for youths who are from  
39 economically disadvantaged areas and who are at least twelve but not more  
40 than eighteen years of age.

41 2. Shall be allocated as follows:

42 (a) Fifty per cent of the monies shall be distributed within counties  
43 with a population of ~~one~~ TWO million persons or more.

1 (b) Thirty per cent of the monies shall be distributed within counties  
2 with a population of ~~five hundred thousand or more but less than one million~~  
3 OR MORE BUT LESS THAN TWO MILLION persons.

4 (c) Twenty per cent of the monies shall be distributed within counties  
5 with a population of less than ~~five hundred thousand~~ ONE MILLION persons.

6 3. Are exempt from the provisions of section 35-190 relating to  
7 lapsing of appropriations.

8 ~~B. For the purposes of subsection A of this section, population shall~~  
9 ~~be determined according to the most recent United States decennial census.~~

10 Sec. 7. Section 41-2404, Arizona Revised Statutes, is amended to read:

11 41-2404. Arizona criminal justice commission: members;  
12 compensation; terms; meetings

13 A. The Arizona criminal justice commission is established consisting  
14 of the following members:

15 1. The attorney general or the attorney general's designee.

16 2. The director of the department of public safety or the director's  
17 designee.

18 3. The director of the state department of corrections or the  
19 director's designee.

20 4. Fourteen members who are appointed by the governor or their  
21 designees. No more than seven of these members may be from the same  
22 political party.

23 5. The administrative director of the courts or the director's  
24 designee.

25 6. The chairman of the board of executive clemency or the chairman's  
26 designee.

27 B. The members who are appointed pursuant to subsection A, paragraph 4  
28 shall include at least one police chief, one county attorney and one county  
29 sheriff from a county with a population of one million ~~two~~ FIVE hundred  
30 thousand or more persons, one police chief, one county attorney and one  
31 county sheriff from a county with a population equal to or greater than ~~four~~  
32 EIGHT hundred thousand persons but fewer than one million ~~two~~ FIVE hundred  
33 thousand persons and one police chief, one county attorney and one county  
34 sheriff from counties with a population of fewer than ~~four~~ EIGHT hundred  
35 thousand persons. The remaining members shall include one law enforcement  
36 leader, one former judge, one mayor, one member of a county board of  
37 supervisors and one chief probation officer.

38 C. Members who are appointed pursuant to subsection A, paragraph 4  
39 shall serve for terms of two years terminating on the convening of the first  
40 regular session of the legislature. Any appointive member who ceases to be a  
41 member of the body the member represents on the commission is deemed to have  
42 resigned. Appointments to fill a vacancy shall be made in the same manner as  
43 the original appointment.

44 D. The commission shall meet and organize by electing from among its  
45 membership such officers as are deemed necessary or advisable. The



1 commission shall meet at least once during each calendar quarter and  
2 additionally as the chairman deems necessary, and a majority of the members  
3 constitutes a quorum for the transaction of business.

4 E. Members of the commission are not eligible to receive compensation  
5 but are eligible for reimbursement of expenses pursuant to title 38, chapter  
6 4, article 2.

7 Sec. 8. Section 41-3451, Arizona Revised Statutes, is amended to read:

8 41-3451. Automobile theft authority; powers and duties; fund;  
9 audit

10 A. An automobile theft authority is established consisting of the  
11 following members:

12 1. Two police chiefs who are appointed by the Arizona chiefs' of  
13 police association, one of whom represents a city or town with a population  
14 of one hundred thousand or more persons and one of whom represents a city or  
15 town with a population of less than one hundred thousand persons, or their  
16 designees.

17 2. Two sheriffs who are appointed by the Arizona sheriffs'  
18 association, one of whom represents a county with a population of five  
19 hundred thousand or more persons and one of whom represents a county with a  
20 population of less than five hundred thousand persons, or their designees.

21 3. Two county attorneys who are appointed by the governor, one of whom  
22 represents a county with a population of ~~one~~ TWO million or more persons and  
23 one of whom represents a county with a population of less than ~~one~~ TWO  
24 million persons, or their designees.

25 4. Two employees of insurers who are licensed to write motor vehicle  
26 liability insurance in this state and who are appointed by the governor.

27 5. Two members of the general public who are appointed by the  
28 governor.

29 6. The assistant director for the motor vehicle division in the  
30 department of transportation or the assistant director's designee.

31 7. The director of the department of public safety or the director's  
32 designee.

33 B. Members serve staggered four year terms beginning and ending on the  
34 third Monday in January. At the first meeting each year, the members shall  
35 select a chairman from among the members. The authority shall meet at the  
36 call of the chairman or seven members.

37 C. The authority may:

38 1. Hire staff members as necessary, including an executive director.  
39 The executive director's annual compensation shall not be more than  
40 seventy-five thousand dollars.

41 2. Provide work facilities and equipment as necessary.

42 3. Determine the scope of the problem of motor vehicle theft,  
43 including particular areas of the state where the problem is greatest.

44 4. Analyze the various methods of combating the problem of motor  
45 vehicle theft.

- 1           5. Develop and implement a plan of operation.
- 2           6. Develop and implement a financial plan.
- 3           7. Solicit and accept gifts and grants.
- 4           8. Report by December 31 of each year to the governor, the president
- 5 of the senate, the speaker of the house of representatives, the secretary of
- 6 state and the director of the Arizona state library, archives and public
- 7 records on its activities during the preceding fiscal year.
- 8           D. If the chairman of the authority knows that a potential ground for
- 9 the removal of a member of the authority exists under this subsection, the
- 10 chairman shall notify the governor. The governor shall remove the member if
- 11 the governor finds that any of the following applies:
- 12           1. The member was not qualified to serve at the time the member was
- 13 appointed.
- 14           2. The member does not maintain the member's qualifications to serve.
- 15           3. The member cannot discharge the member's duties for a substantial
- 16 part of the term due to illness or other disability.
- 17           4. The member is absent from more than one-half of the regularly
- 18 scheduled meetings during a calendar year unless the member's absence is
- 19 excused by a majority vote of the authority.
- 20           E. The automobile theft authority fund is established consisting of
- 21 any public or private monies that the authority may receive. The automobile
- 22 theft authority shall administer the fund. Subject to legislative
- 23 appropriation, monies in the fund shall only be used to pay the expenses of
- 24 the authority and to carry out the purposes of this section. Monies in the
- 25 fund are exempt from the provisions of sections 35-143.01 and 35-190 relating
- 26 to lapsing of appropriations. On notice from the authority, the state
- 27 treasurer shall invest and divest monies in the fund as provided by section
- 28 35-313, and monies earned from investment shall be credited to the fund.
- 29           F. The authority may accept nonmonetary contributions, including the
- 30 services of individuals, office and secretarial assistance, mailings,
- 31 printing, office equipment, facilities and supplies, that are necessary to
- 32 carry out its functions. The nonmonetary contributions shall not be included
- 33 in the costs of administration limitation prescribed by subsection H of this
- 34 section.
- 35           G. The automobile theft authority shall allocate monies in the fund to
- 36 public agencies for the purpose of establishing, maintaining and supporting
- 37 programs that are designed to prevent motor vehicle theft, including:
- 38           1. Financial support to law enforcement and prosecution agencies for
- 39 programs that are designed to increase the effectiveness of motor vehicle
- 40 theft prosecution.
- 41           2. Financial support for programs that are designed to educate and
- 42 assist the public in the prevention of motor vehicle theft.
- 43           H. The costs of administration shall not exceed ten per cent of the
- 44 monies in the fund in any one year so that the greatest possible portion of

1 the monies available to the authority is expended on combating motor vehicle  
2 theft.

3 I. Monies expended from the automobile theft authority fund shall be  
4 used to supplement, not supplant, other monies that are available for motor  
5 vehicle theft prevention.

6 J. Each insurer issuing motor vehicle liability insurance policies in  
7 this state shall pay a semiannual fee of fifty cents per vehicle insured  
8 under a motor vehicle liability insurance policy issued by the insurer. The  
9 fee shall be fully earned and nonrefundable at the time the insurer collects  
10 the premium for the motor vehicle liability insurance policy. Each insurer  
11 shall transmit the fee on or before January 31 and on or before July 31 of  
12 each year to the automobile theft authority for deposit in the automobile  
13 theft authority fund. The payment due on or before January 31 shall cover  
14 vehicles insured under policies that are issued during the period from July 1  
15 through December 31 of the previous year. The payment due on or before July  
16 31 shall cover vehicles insured under policies that are issued during the  
17 period from January 1 through June 30 of the same year.

18 K. The authority shall cause an audit to be made of the automobile  
19 theft authority fund. The audit shall be conducted by a certified public  
20 accountant every two years. The authority shall file a certified copy of the  
21 audit with the auditor general immediately. The auditor general may make  
22 further audits and examinations as the auditor general deems necessary and  
23 may take appropriate action relating to the audit pursuant to chapter 7,  
24 article 10.1 of this title.

25 L. Authority members are not eligible to receive compensation but are  
26 eligible for reimbursement of expenses pursuant to title 38, chapter 4,  
27 article 2.

28 M. This section does not apply to vehicles or vehicle combinations  
29 with a declared gross weight of more than twenty-six thousand pounds. Motor  
30 vehicle liability insurance policies issued in this state for vehicles or  
31 vehicle combinations with a declared gross weight of more than twenty-six  
32 thousand pounds are exempt from subsection J of this section.

33 Sec. 9. Section 41-4256, Arizona Revised Statutes, is amended to read:

34 41-4256. Arizona department of homeland security coordinating  
35 council; appointment; terms; duties

36 A. The Arizona department of homeland security coordinating council is  
37 established.

38 B. The coordinating council consists of the following members:

39 1. Two members of the house of representatives who are appointed by  
40 the speaker of the house of representatives and who are members of different  
41 political parties.

42 2. Two members of the senate who are appointed by the president of the  
43 senate and who are members of different political parties.

44 3. The director of the Arizona department of agriculture or the  
45 director's designee.

1           4. The director of the department of health services or the director's  
2     designee.

3           5. The director of the United States customs and border protection or  
4     the director's designee.

5           6. Eighteen members who are appointed by the governor, who serve three  
6     year terms beginning July 1 and who are the following persons or their  
7     designees:

8           (a) A mayor.

9           (b) A city manager.

10          (c) Two representatives from an institution of higher education.

11          (d) A police chief from a city with a population of more than one  
12     million persons.

13          (e) A sheriff from a jurisdiction in a county with a population of  
14     ~~four~~ EIGHT hundred thousand or more persons but less than one million ~~two~~  
15     FIVE hundred thousand persons.

16          (f) A sheriff from a jurisdiction in a county with a population of  
17     less than ~~four~~ EIGHT hundred thousand persons.

18          (g) An emergency coordinator.

19          (h) A county administrator.

20          (i) A representative from one of the Arizona United States  
21     congressional offices.

22          (j) Two public members.

23          (k) A representative from an Indian tribal government.

24          (l) A public health representative.

25          (m) Two fire service representatives.

26          (n) A representative from the ~~office~~ DEPARTMENT of fire, building and  
27     life safety.

28          (o) A representative of a volunteer services corporation.

29          C. At the first meeting held after July 1 of each year, the  
30     coordinating council shall elect a chairperson and vice-chairperson.

31          D. The coordinating council shall meet on the call of the chairperson  
32     but at least quarterly. No actions may be taken without a quorum present.

33          E. The coordinating council at a public hearing shall:

34           1. Receive the list of requests for state homeland security grant  
35     program monies that are developed by each regional advisory council.

36           2. Receive from the director the director's request of state homeland  
37     security grant program monies that are requested from the federal government.

38           3. Receive from the director the amount of appropriations or grants to  
39     this state by the federal government for homeland security purposes and the  
40     director's allocation of these monies to the jurisdictions and other  
41     organizations eligible to receive these monies.

42          F. The coordinating council shall provide advice to the director  
43     regarding issues that relate to homeland security.

44          G. Members are not eligible to receive compensation but are eligible  
45     for reimbursement of expenses pursuant to title 38, chapter 4, article 2.

1       Sec. 10. Section 49-1202, Arizona Revised Statutes, is amended to  
2 read:

3       49-1202. Water infrastructure finance authority of Arizona;  
4               board; water supply development fund committee;  
5               violation; classification

6       A. The water infrastructure finance authority of Arizona is  
7 established. A board of directors shall govern the authority. The board of  
8 directors consists of:

9       1. The director of environmental quality, or the director's  
10 representative, who serves as chairman.

11       2. The director of the department of commerce or the director's  
12 representative.

13       3. The state treasurer or the treasurer's representative.

14       4. One member who is appointed by the governor to represent  
15 municipalities with populations of fifty thousand persons or more.

16       5. One member who is appointed by the governor to represent  
17 municipalities with populations of less than fifty thousand persons from a  
18 county with a population of less than five hundred thousand persons.

19       6. One member who is appointed by the governor to represent counties  
20 with populations of five hundred thousand persons or more.

21       7. One member who is appointed by the governor to represent sanitary  
22 districts in counties with populations of less than five hundred thousand  
23 persons.

24       8. The director of water resources or the director's representative.

25       9. The chairman of the Arizona corporation commission or the  
26 chairman's representative.

27       10. One member who is appointed by the governor from a public water  
28 system that serves five hundred persons or more.

29       11. One member who is appointed by the governor from a public water  
30 system that serves fewer than five hundred persons.

31       12. One member who is appointed by the governor to represent Indian  
32 tribes.

33       B. The water supply development fund committee of the authority is  
34 established. The committee consists of:

35       1. The director of water resources, or the director's representative,  
36 who serves as chairperson of the committee.

37       2. The director of environmental quality, or the director's  
38 representative, who serves as vice-chairperson of the committee.

39       3. The chairman of the corporation commission or the chairman's  
40 representative.

41       4. The state treasurer or the treasurer's representative.

42       5. One member who is appointed by the governor to represent  
43 municipalities with populations of fifty thousand persons or more but less  
44 than one hundred thousand persons.

1       6. One member who is appointed by the governor to represent  
2 municipalities with populations of less than fifty thousand persons from a  
3 county with a population of less than five hundred thousand persons.

4       7. One member who is appointed by the governor to represent counties  
5 with populations of less than ~~two~~ EIGHT hundred thousand persons.

6       8. One member who is appointed by the governor to represent counties  
7 with populations of ~~two~~ EIGHT hundred thousand persons or more but less than  
8 one million FIVE HUNDRED THOUSAND persons.

9       9. One member who is appointed by the governor to represent counties  
10 with populations of one million FIVE HUNDRED THOUSAND persons or more.

11       10. One member who is appointed by the governor to represent cities  
12 with populations of more than one hundred thousand persons in counties with  
13 populations of more than one million persons.

14       11. One member who is appointed by the governor from a public service  
15 corporation that serves one thousand eight hundred fifty persons or more.

16       12. One member who is appointed by the governor from a public water  
17 system that serves fewer than one thousand eight hundred fifty persons.

18       13. One member who is appointed by the governor to represent Indian  
19 tribes.

20       C. Members of the board and the committee who are appointed by the  
21 governor serve at the governor's pleasure and serve staggered five year  
22 terms. Members of the board and the committee are not eligible to receive  
23 compensation for their services but are eligible for reimbursement for travel  
24 and other expenses pursuant to title 38, chapter 4, article 2. Members of  
25 the board and the committee are public officers for purposes of title 38, and  
26 the authority and the committee are public bodies for purposes of title 38,  
27 chapter 3, article 3.1.

28       D. Members of the board shall not have any direct or indirect personal  
29 financial interest in any clean water or drinking water project financed  
30 under this article. Members of the committee shall not have any direct or  
31 indirect personal financial interest in any water supply development project  
32 financed under this article. For the purposes of this subsection, a member  
33 of the board or the committee who is a full-time employee of a participant in  
34 or applicant for a loan does not have a direct or indirect personal financial  
35 interest in a project. A violation of this subsection is a class 1  
36 misdemeanor.

37       E. The department of environmental quality shall provide clerical  
38 support and office and meeting space to the board.

39       F. The department of water resources shall provide technical  
40 assistance to the committee as requested by the committee.

APPROVED BY THE GOVERNOR JULY 10, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 13, 2009.